

**Unaudited Condensed Consolidated Statement of Financial Position  
as at 31 March 2011**

	Note	As at 31.03.11 RM'000 unaudited	As at 30.06.10 RM'000 audited (restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	A 10	6,410	6,187
Investment properties		2,160	2,160
Prepaid lease payments		475	484
Land held for property development		8,745	8,745
Goodwill on consolidation		1,436	1,436
		<u>19,226</u>	<u>19,012</u>
<b>Current assets</b>			
Inventories-Finished Goods		8,183	5,930
Inventories-Completed Properties		6,332	6,943
Property Development Costs		5,154	-
Trade receivables		14,049	16,822
Other receivables, deposits and prepayments		980	1,278
Tax recoverable		4	2
Fixed deposits with licensed banks		2,041	1,945
Cash and bank balances		3,575	5,019
		<u>40,318</u>	<u>37,939</u>
		<u>59,544</u>	<u>56,951</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		40,000	40,000
Share premium		4,186	4,186
Reserves		1,170	1,170
Retained profit / (Accumulated loss)		(6,428)	(6,459)
		<u>38,928</u>	<u>38,897</u>
<b>Non-controlling interest</b>		<u>6,797</u>	<u>6,317</u>
<b>Total equity</b>		<u>45,725</u>	<u>45,214</u>

**Unaudited Condensed Consolidated Statement of Financial Position  
as at 31 March 2011**

	As at 31.03.11 RM'000 unaudited	As at 30.06.2010 RM'000 audited (restated)
<b>Non current liabilities</b>		
Hire purchase creditors	457	512
Term Loan	1,343	-
Deferred taxation	241	241
	<u>2,041</u>	<u>753</u>
<b>Current liabilities</b>		
Trade payables	8,712	7,582
Other payables and accruals	1,257	2,553
Hire purchase creditors	131	132
Term Loan	500	-
Bank overdraft	1,138	
Provision for taxation	40	717
	<u>11,778</u>	<u>10,984</u>
<b>Total liabilities</b>	<u>13,819</u>	<u>11,737</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>59,544</u>	<u>56,951</u>
<b>Net tangible assets per share (RM)</b>	<u>0.94</u>	<u>0.94</u>
<b>Net assets per share attributable to ordinary equity holders of the parents (RM)</b>	<u>0.97</u>	<u>0.97</u>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the Audited Financial Report for the year ended 30<sup>th</sup> June 2010

**Unaudited Condensed Consolidated Statement of Comprehensive Income  
for the period ended 31 March 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months Current Year Quarter 31.03.11 RM'000 unaudited	3 months Preceding Year Corresponding Quarter 31.03.10 RM'000 unaudited	9 months Current Year To Date 31.03.11 RM'000 unaudited	9 months Preceding Year To Date 31.03.10 RM'000 unaudited
Revenue	8,809	9,596	25,403	37,327
Cost of sales	(7,648)	(6,842)	(20,402)	(27,363)
Gross profit	<u>1,161</u>	<u>2,754</u>	<u>5,001</u>	<u>9,964</u>
Other income	99	22	154	56
Administrative expenses	(1,481)	(1,749)	(4,311)	(4,433)
Finance cost	(67)	(11)	(98)	(29)
Profit /(Loss) before taxation	<u>(288)</u>	<u>1,016</u>	<u>746</u>	<u>5,558</u>
Tax expense	363	(240)	(159)	(1,247)
Total comprehensive income / (loss) for the period	<u><u>75</u></u>	<u><u>776</u></u>	<u><u>587</u></u>	<u><u>4,311</u></u>
Attributable to:				
Owners of the Company	(39)	655	31	3,934
Non-controlling interests	<u>114</u>	<u>121</u>	<u>556</u>	<u>377</u>
	<u><u>75</u></u>	<u><u>776</u></u>	<u><u>587</u></u>	<u><u>4,311</u></u>
Basic earnings per ordinary share (sen) Based on 40,000,000 ordinary shares	(0.10)	1.64	0.08	9.84

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the Audited Financial Report for the year ended 30<sup>th</sup> June 2010

**Unaudited Condensed Consolidated Statement of Change in Equity  
for the period ended 31 March 2011**

	----- Attributable to Equity Holders of the Parent -----				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	-- Non-distributable --		Distributable				
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Unappro. Profit/ (Loss) RM'000			
<b>Balance as at 1st July 2010</b>	40,000	4,186	1,170	(6,459)	38,897	6,317	45,214
Profit / (loss) for the period	-	-	-	31	31	556	587
Dividend paid to minority interest	-	-	-	-	-	(76)	(76)
<b>Balance as at 31st March 2011</b>	<u>40,000</u>	<u>4,186</u>	<u>1,170</u>	<u>(6,428)</u>	<u>38,928</u>	<u>6,797</u>	<u>45,725</u>
<b>Balance as at 1st July 2009 (restated)</b>	40,000	4,186	620	(11,097)	33,709	6,213	39,922
Net profit for the year	-	-	-	4,638	4,638	523	5,161
Dividend paid to minority interest	-	-	-	-	-	(482)	(482)
Deferred taxation	-	-	(77)	-	(77)	(24)	(101)
Fair value adjustments	-	-	627	-	627	87	714
<b>Balance as at 30th June 2010 (restated)</b>	<u>40,000</u>	<u>4,186</u>	<u>1,170</u>	<u>(6,459)</u>	<u>38,897</u>	<u>6,317</u>	<u>45,214</u>
Dividend distribution per ordinary share for the quarter	-	-	-	-	-	-	-

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the Audited Financial Report for the year ended 30<sup>th</sup> June 2010

**Unaudited Condensed Consolidated Statement of Cash Flows  
for the period ended 31 March 2011**

	<b>9 months Current Year To Date 31-03-11 RM'000 unaudited</b>	<b>12 months Preceding Year To Date 30-06-10 RM'000 audited (Restated)</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	746	6,750
Adjustments for :		
Non - cash items	(47)	460
Non - operating items - investing	344	476
Non - operating items - financing	50	1
Operating profit / (loss) before working capital changes	<u>1,093</u>	<u>7,687</u>
(Increase) / Decrease in working capital :		
Net Change in operating assets	(3,678)	1,104
Net Change in operating liabilities	(166)	(4,644)
Cash generated from / (used in) operation	<u>(2,751)</u>	<u>4,147</u>
Interest paid	(98)	(38)
Income tax paid	(1,338)	(1,166)
Income tax refund	500	-
Net cash from / (used in) operating activities	<u>(3,687)</u>	<u>2,943</u>
<b>Cash Flows from investing activities</b>		
Interest received	48	33
Proceeds from disposal of property, plant and equipment	15	140
Purchase of property, plant and equipment	(573)	(626)
Prepaid lease payment	-	(83)
Purchase of investment property	-	(50)
Net cash (used in) / from investing activities	<u>(510)</u>	<u>(586)</u>
Balance carried forwards	(4,197)	2,357

**Unaudited Condensed Consolidated Statement of Cash Flows  
for the period ended 31 March 2011**

Balance brought forward	(4,197)	2,357
<b>Cash flows from financing activities</b>		
Dividends paid to minority shareholders	(76)	(482)
Drawdown of Hire Purchase	60	477
Drawdown of Term Loan	2,000	-
Repayment of term loan	(157)	
Repayment of hire purchase	(116)	(354)
Net cash used in financing activities	1,711	(359)
Net increase /(decrease) in cash and cash equivalents	(2,486)	1,998
Cash and cash equivalents at beginning of year	6,964	4,966
Cash and cash at 31 March (i)	4,478	6,964

**(i) Cash and cash equivalents**

Cash and cash equivalents comprise the following balance sheet amounts :

	31/03/2011	30/06/2010
	RM000	RM000
Cash and bank balances	3,575	5,019
Deposit with licensed banks	2,041	1,945
Bank overdrafts	(1,138)	
	4,478	6,964

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the Audited Financial Report for the year ended 30<sup>th</sup> June 2010

**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with the Financial Reporting Standards ("FRS") No. 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad's listing Requirements.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30<sup>th</sup> June 2010.

**A2. Changes in accounting policies**

The significant accounting policies, method of computation and basis of consolidation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30<sup>th</sup> June 2010 except for the following new and revised Financial Reporting Standards ("FRS"), IC interpretation and Amendments that are effective after the financial year ended 30<sup>th</sup> June 2010:-

**Effective for financial periods beginning on or after 1 January 2010**

FRS 4: Insurance Contracts  
FRS 7: Financial Instruments: Disclosures  
FRS 101: Presentation of Financial Statements (revised)  
FRS 123: Borrowing Costs  
FRS 139: Financial Instruments: Recognition and Measurement  
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and  
FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment  
in a Subsidiary, Jointly Controlled Entity or Associate  
Amendments to FRS 2: Share-based Payment- Vesting Conditions and  
Cancellations  
Amendments to FRS 132: Financial Instruments: Presentation (Paragraphs 95A,  
97AA and 97AB)  
Amendments to FRS 139: Financial Instruments: Recognition and Measurement,  
FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment  
of Embedded Derivatives  
Amendments to FRSs 'Improvements to FRSs (2009)'  
IC Interpretation 9: Reassessment of Embedded Derivatives  
IC Interpretation 10: Interim Financial Reporting and Impairment  
IC Interpretation 11: FRS2- Group and Treasury Share Transactions  
IC Interpretation 13: Customer Loyalty Programmes  
IC Interpretation 14: FRS 119- The Limit on a Defined Benefit Asset, Minimum  
Funding Requirements and their Interaction  
TR i- 3: Presentation of Financial Statements of Islamic Financial Institutions

**Effective for financial periods beginning on or after 1 March 2010**

Amendments to FRS 132: Financial Instruments: Presentation (Paragraphs 11, 16  
and 97E)

**Effective for financial periods beginning on or after 1 July 2010**

FRS 1: First-time Adoption of Financial Reporting Standards  
FRS 3: Business Combinations (revised)  
FRS 127: Consolidated and Separate Financial Statements (amended)  
Amendments to FRS 2: Share-based Payment  
Amendments to FRS 5: Non-Current Assets Held for Sale and Discontinued  
Operations  
Amendments to FRS 138: Intangible Assets  
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives  
IC Interpretation 12: Service Concession Arrangements  
IC Interpretation 15: Agreements for the Construction of Real Estate  
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation  
IC Interpretation 17: Distributions of Non-cash Assets to Owners

## **GRAND HOOVER BHD** (10493-P)

Note to the interim financial report

### **A2. Changes in accounting policies (cont'd)**

#### **Effective for financial periods beginning on or after 1 January 2011**

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards-  
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters  
Amendments to FRS 7: Financial Instruments Disclosures- Improving Disclosures  
about Financial Instruments

The new FRSs, Amendments to FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 139.

The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139

### **A3. Audit Report of Preceding Annual Financial Statements**

The audited annual financial statements for the year ended 30<sup>th</sup> June 2010 were not subject to any qualification.

### **A4. Seasonal or cyclical factors**

The business of the Group was not affected by any significant seasonal or cyclical fluctuations. However, some of the trading division was marginally affected by the current competitive environments.

### **A5. Unusual Items**

There were no unusual items of nature, size or incidence that affect the assets, liabilities, equity, net income or cash flows of the Group during the financial period under review other than those disclosed in this interim condensed financial statements.

### **A6. Changes in Estimates**

There were no changes in estimate of amount reported in the current quarter or changes in estimate of amount reported in prior financial years that have a material effect in the current quarter under review.

### **A7. Debt and equity securities**

There were no issuances and repayment of debt and equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the period under review.

### **A8. Dividends paid**

No dividend was paid during the period from 1<sup>st</sup> July 2010 to 31<sup>st</sup> March 2011 (30<sup>th</sup> June 2010: NIL).



**GRAND HOOVER BHD** (10493-P)

Note to the interim financial report

**A9. Segment information**

Segment information is presented in respect of the Group's business segments.

	<b>Investment &amp; Services</b>	<b>Property Development</b>	<b>Construction</b>	<b>Trading</b>	<b>Manufacturing</b>	<b>Elimination</b>	<b>Group</b>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Revenue</u></b>							
Revenue from external customers	4	-	-	25,399	-	-	25,403
Inter-segment revenue	418	31	-	-	-	(449)	-
Total revenue	422	31	-	25,399	-	(449)	25,403
<b><u>Results</u></b>							
Segment Results	(124)	(1,325)	(240)	2,384	(3)	104	796
Unallocated expenses	-	-	-	-	-	-	-
Net interest expense	174	(169)	(66)	11	-	-	(50)
Profit/(loss) before tax	50	(1,494)	(306)	2,395	(3)	104	746
Taxation	-	(8)	-	(650)	-	499	(159)
Profit/(loss) After tax	50	(1,502)	(306)	1,745	(3)	603	587

**GRAND HOOVER BHD** (10493-P)  
Note to the interim financial report

**A10. Property, plant and equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous annual audited financial statements.

**A11. Material events subsequent to the end of the interim period**

There were no material events subsequent to the current financial quarter ended 31<sup>st</sup> March 2011 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

**A12. Changes in composition of the Group**

There were no material changes in the composition of the Group for the current quarter and financial year-to-date.

**A13. Changes in contingent liabilities**

There is no material changes on contingent liabilities other than those highlighted in the financial report for the year ended 30<sup>th</sup> June 2010.

***Performance Bonds***

Total performance bonds was issued during the period from 1<sup>st</sup> July 2010 to 31<sup>st</sup> March 2011 is RM12,000.00 (30<sup>th</sup> June 2010: RM12,000.00).

**A14. Capital commitments**

**Property, plant and equipment**

Authorised but not contracted for

Contracted but not provided for in the financial statements

RM'000

NIL

NIL

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B1. Review of performance**

The Group's financial performance for the year period 31<sup>st</sup> March 2011 has reported a profit before tax of RM746,000 compared with the corresponding period of the preceding year profit before tax of RM5,558,000.

The profit was mainly derived from trading division. No contribution was derived from the property division as the new development is in planning stage.

**B2. Variation of results against preceding quarter**

For the quarter under review, the Group made a loss before tax of RM288,000 as compared to a profit before tax of RM607,000 in the immediate preceding quarter.

The group losses was attributable to no revenue generated from property division

**B3. Current financial year prospects**

The Group's business is mainly in the construction of residential properties, property development and trading of building materials. Barring any unforeseen circumstances, the Group's result is expected to be lean as the group new development will be launching toward the end of the financial year.

**B4. Taxation**

	RM'000
Current year taxation	654
Under / (over) provision of taxation in prior year	(495)
	-----
	159
	=====

The provision of taxation relates to profit made on trading segment.

**B5. Status of corporate proposal announced**

Status of corporate proposals announced but not completed as at 23<sup>th</sup> May 2011 is:

- a) Proposed Acquisition of A Parcel of Land From Perbadanan Kemajuan Negeri Kedah ("PKNK") For A Total Cash Consideration of RM20,000,000.00

As per the announcement made to the Bursa Malaysia Securities Bhd. on 16<sup>th</sup> December 2008, PKNK and the Company had by way of exchange of letters mutually agreed to vary certain terms and conditions of the Sale and Purchase Agreement dated 7<sup>th</sup> May 2003 ("SPA").

The variation to the SPA reduces the Company's acquisition to only 125 acres instead of the 500 acres of the Land for a total cash consideration of RM5,000,000 which has been paid in full and PKNK is to identify and transfer the 125 acres to the Company in a block title.

On 16 May 2010, PKNK informed the Company that Pejabat Tanah Kulim will be issuing individual titles for the land to the Company.

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B6. Group borrowings and debt securities**

All the borrowings of the Group are in Ringgit Malaysia.

	Secured RM'000	Unsecured RM'000
BANK OVERDRAFT		
Repayable within the next 12 months	1138	
HIRE PURCHASE		
Repayable within the next 12 months	131	
Repayable after the next 12 months	457	
TERM LOAN		
Repayable within the next 12 months	500	
Repayable after the next 12 months	1,343	
Total:	----- 3,569 =====	----- - =====

**B7. Realised and Unrealised Profits / Losses Disclosure**

	As at 31.03.2011 (RM'000)	As at 31.12.2010 (RM'000)
Total retained profits / (accumulated losses) of the Company and its subsidiaries:		
- Realised	(6,428)	(6,389)
- Unrealised	-	-
Total Group retained profits / (accumulated losses) as per consolidated accounts	----- (6,428) =====	----- (6,389) =====

Comparative figures are not required in the first financial year of complying with the Realised and Unrealised Profits / Losses Disclosure.

**B8. Off balance sheet financial instruments**

There were no financial instruments with off balance sheet risk for the current financial period to date.

**GRAND HOOVER BHD (10493-P)**

Additional Information Requested by the Bursa Malaysia Listing Requirements

**B9. Changes in material litigation**

Material litigations as at 23<sup>th</sup> May 2011 is as follows:-

KL Originating summons No. D4-24-138-2007

Konsep Karisma Sdn. Bhd. ('KKSB') suing against Grand Hoover Berhad ('GHB') for consultancy fees of RM1,631,615 for project under appointment letter dated 23<sup>rd</sup> May 2003.

Separate Civil Suit by Grand Hoover Berhad ('GHB') against Konsep Karisma Sdn Bhd ('KKSB') KL High Court Suite No. S3 – 22-492-2007 for damages for breach of contract and/or negligence, and for a declaration that KKSB's alleged claim for fees against GHB is invalid.

The new trial dates were set on 28 and 29 June 2011.

**B10. Dividends**

No interim dividend was declared during the period from 1<sup>st</sup> July 2010 to 31<sup>st</sup> March 2011 (30<sup>th</sup> June 2010: NIL).

**B11. Earnings per share**

***Basic earnings per share***

The calculation of basic earnings per share for the quarter is based on the profit for the period attributable to equity holders of the parent of RM31,000 and the number of ordinary shares in issue during the quarter of 40,000,000.